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Spec. Funds

WAR DEPARTMENT
OFFICE OF THE ASSISTANT SECRETARY OF WAR
STRATEGIC SERVICES UNIT

25th & E STREETS, N.W.
WASHINGTON 25, D.C.

5 September 1946

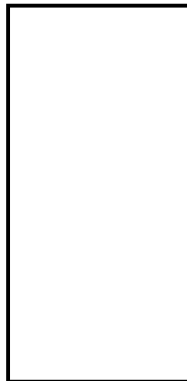
TO:
FROM: Chief Special Funds
SUBJECT: Instructions to Field Missions from Special Funds Division

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1. In accordance with instructions given by Mr. 25X1
 there is enclosed draft of instructions to field missions regard-
ing the termination of SSU.

2. We feel that these instructions should go to the follow-
ing missions and/or stations:

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3. If these instructions are not forwarded to each of these
missions the Special Funds Division should be so advised in order that
separate instructions may be forwarded to such stations.

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CHIEF SPECIAL FUNDS

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SUBJECT: Instructions and Procedures for the Termination and Liquidation of all SSU Activities and Initiation of Economic Survey Group records and activities as effects Special Funds.

INSTRUCTIONS

1. This memorandum is an elaboration of Cable No. _____.

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2. Effective 19 October 1946, SSU will be formally terminated in accordance with instructions and directives contained in _____.

3. Effective 20 October 1946, ESG Special Funds will be utilized to continue such operations as are authorized and directed.

4. This termination of SSU and activation of ESG activities in the field will require all Offices, Missions, Posts, and Stations, and individuals in the field utilizing Special Funds in the field to make an accounting cut-off c.o.b. 19 October 1946.

5. A new and entirely independent set of books (or series of accountings as the case may be) must be started as of 20 October 1946.

6. The separation as indicated above must be complete and absolute from an accounting standpoint.

PROCEDURES

7. Special Funds Field Representatives should take the following action regarding Special Funds files, records, books and reports:

(a) Prepare new books, to be opened as at 20 October 1946 along the general lines of SSU books now being utilized. For information and guidance in this direction, a complete set of instructions and procedures are being forwarded by Special Funds, Washington, under separate cover, to such posts as security permits.

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(c) New files, and such other records that are maintained, should be prepared for all individuals, projects, etc., being transferred and/or remaining active.

(d) Take such other steps as may be necessary to afford complete segregation of records.

(e) On 20 October 1946 and monthly thereafter until further notice, transfer to the new books an amount of foreign currencies of all types required, estimated to be adequate for one month's operation of ESG activities. In the SSU books, this transfer should be charged to "Transfers - Washington" with the explanation "In accordance with Washington instructions by memorandum dated _____. In the ESG books, this transfer should be recorded in a special account opened in the control journal under the heading "Balances Forwarded." A subsidiary record of this account should be maintained detailing the exact type, amount and rate of all funds so transferred. The transfer should be adequate to cover the month's operations so that additional transfers will not be required during the month.

9. SSU books and records should be retained and in the present form. The new ESG Special Funds accounting and pay roll procedure referred to in paragraph 8 (a) are applicable only to the ESG financial records and are not to be applied to the SSU financial records during the final liquidation period.

10. All outstanding accounts and advances should be called as at 19 October 1946. Where it is impossible to obtain accountings on or near that date, the accountings should be obtained as soon thereafter as possible. If the period covered by accounting extends beyond that date, two accountings should be rendered -- one up to and including 19 October 1946, and the other to start with 20 October 1946. As accountings are submitted through 19 October 1946, expenses and other transactions should be recorded in SSU books and the balance outstanding should be transferred to ESG books in the following manner:

(a) In the SSU books, charge or credit "Transfers - Washington" itemizing each transfer and identifying clearly by name or appropriate symbol with the explanation "In accordance with Washington instructions in memorandum dated _____."

(b) In the ESG books, such transfers should be recorded in the control journal in the special account described in paragraph 8 (e), above, and details of each transfer, including type, amount and rate comprising the balance as being transferred, should be recorded in subsidiary records.

11. Upon receipt of ESG funds from Washington, the procedure for cash transfers described in paragraph 8 (e), above, should be discontinued, and the cash balances remaining on SSU books should be held separately and retained pending specific instructions from Washington as to disposition.

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12. Old transactions, claims and obligations incurred prior to 20 October 1946 should be liquidated with funds held on the SSU books and recorded therein.

13. A complete report should be issued from SSU books as at c.o.b. 19 October 1946. Beginning with 31 October 1946 and continuing until SSU books are closed, two separate monthly reports, on a calendar month basis, should be issued to Washington, covering the activities of SSU and ESG respectively.

14. There should be included in the monthly ESG reports a schedule of the account "Balances forwarded", detailed to show the amount, type, and rate of all funds transferred and the amount, type and rate of funds comprising the balance of advance accounts transferred.

15. All transfer of account notices and other memoranda issued after 19 October 1946 should clearly state whether the transaction is for SSU or ESG records.

16. Information necessary to establish new pay roll records as of 20 October 1946 will be found in the forms and instructions issued to handle these forms in that section of this letter dealing with Personnel.

17. All contracts and agreements covering recurring services, such as rents and utilities, now being financed with Special Funds should be handled in a manner that is compatible with security and operational requirements.

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